

House Education & the Workforce Committee

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FACT SHEET

Unprecedented Flexibility for America's Local Schools

Republican and Democratic staff on the House Education and the Workforce Committee have tentatively agreed on a plan that would grant unprecedented new flexibility to local school districts in the use of federal education dollars within the framework of *No Child Left Behind*, President Bush's plan to demand results in public education.

The new concept would dramatically enhance flexibility for local school districts, giving them the freedom to make spending decisions with up to 50 percent of the federal education dollars they receive as long as they demonstrate results. Under current law, rigid and unnecessary federal rules frequently hamper local schools in their efforts to meet the unique needs of students.

The plan would mean new flexibility for local school districts with up to 50 percent of the federal dollars flowing to local schools, giving local school districts the freedom to apply those resources where they're needed most -- from class size reduction to higher teacher salaries to technology in the classroom.

Republicans and Democrats continue to disagree on "Straight A's," which would provide similar flexibility and relief from federal requirements at the state level. As part of the tentative agreement, Republicans reserve the right to offer "Straight A's" on the House floor.

UNPRECEDENTED FLEXIBILITY FOR LOCAL SCHOOLS

- This flexibility arrangement permits local school districts (Local Educational Agencies, or LEAs) to transfer money among an assortment of ESEA programs, including Title II (Teachers), Title IV, part A (Innovative Programs), Title V, part A (Safe and Drug Free Schools), and Title V, part B (Technology - formula portion).
- Title I, part A funds for closing achievement gaps and aiding disadvantaged students would not be transferable to non-Title I programs, but non-Title I funds may be transferred into Title I. This change gives local school districts the flexibility to target additional resources, if they so choose, to meet the needs of the most disadvantaged students.
- The measure permits school districts identified as low performing to transfer 30 percent of their federal funds rather than 50 percent. Flexible funds would have to be used for school improvement.
- The bill does not permit chronically failing schools in corrective action to transfer funds.
- This enhanced flexibility allows local school districts to address needs that often change from one year to the next, since these transfers are not permanent and must be made on an annual basis.

ENHANCING LOCAL CONTROL

- Local school districts would not need to obtain permission from anyone -- including the U.S. Department of Education or the state -- before transferring funds to aid students.

FLEXIBILITY FOR STATES, TOO

- The bill permits states to transfer up to 50 percent of their state activities share of the same ESEA programs, from one program to another, but not out of Title I.

DEMANDING RESULTS

- The measure implements the flexibility deal within the framework of President Bush's plan for tough accountability standards for states and public schools using federal funds. Under the President's plan, states and schools would be required to demonstrate results through mandatory annual tests in grades 3-8 in reading and math.

These changes to enhance flexibility for local school districts and states represent another important step towards making sure that the needs of children, not bureaucracy, are the driving force behind federal education programs.